

118TH CONGRESS
1ST SESSION

H. R. 4227

To amend the Rural Electrification Act of 1936 to establish the ReConnect program under that Act, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 20, 2023

Mr. NUNN of Iowa (for himself, Ms. CRAIG, Mr. LAHOOD, Mr. SORENSEN, Mr. BOST, Mr. MOLINARO, Ms. CARAVEO, Mr. DAVIS of North Carolina, Mr. KILMER, Mr. COSTA, Ms. SLOTKIN, Mr. TRONE, Ms. BUDZINSKI, Mr. MOOLENAAR, and Mr. VALADAO) introduced the following bill; which was referred to the Committee on Agriculture, and in addition to the Committees on Energy and Commerce, and Appropriations, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend the Rural Electrification Act of 1936 to establish the ReConnect program under that Act, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “ReConnecting Rural
5 America Act of 2023”.

1 **SEC. 2. ACCESS TO BROADBAND TELECOMMUNICATIONS**
2 **SERVICES IN RURAL AREAS.**

3 (a) IN GENERAL.—Section 601 of the Rural Elec-
4 trification Act of 1936 (7 U.S.C. 950bb) is amended—

5 (1) by striking subsections (a) through (f) and
6 inserting the following:

7 “(a) PURPOSE.—The purpose of this section is to
8 provide assistance in the form of grants, loans, and com-
9 binations of grants and loans for the costs of the construc-
10 tion, improvement, and acquisition of facilities and equip-
11 ment for broadband service in rural areas.

12 “(b) DEFINITIONS.—In this section:

13 “(1) BROADBAND SERVICE.—The term
14 ‘broadband service’ means any technology identified
15 by the Secretary as having the capacity to transmit
16 data to enable a subscriber to the service to origi-
17 nate and receive high-quality voice, data, graphics,
18 and video.

19 “(2) RURAL AREA.—

20 “(A) IN GENERAL.—The term ‘rural area’
21 means any area other than—

22 “(i) an area described in clause (i) or
23 (ii) of section 343(a)(13)(A) of the Con-
24 solidated Farm and Rural Development
25 Act (7 U.S.C. 1991(a)(13)(A)); and

1 “(ii) a city, town, or incorporated area
2 that has a population of greater than
3 20,000 inhabitants.

4 “(B) URBAN AREA GROWTH.—The Sec-
5 retary may, by regulation only, consider an area
6 described in section 343(a)(13)(F)(i)(I) of that
7 Act to not be a rural area for purposes of this
8 section.

9 “(C) EXCLUSION OF CERTAIN POPU-
10 LATIONS.—The term ‘rural area’ does not in-
11 clude any population described in subparagraph
12 (H) or (I) of section 343(a)(13) of the Consoli-
13 dated Farm and Rural Development Act (7
14 U.S.C. 1991(a)(13)).

15 “(c) GRANTS, LOANS, AND COMBINATIONS.—

16 “(1) IN GENERAL.—The Secretary shall make
17 grants, loans, and combinations of grants and loans
18 to eligible entities described in subsection (d) to pro-
19 vide funds for the construction, improvement, or ac-
20 quisition of facilities and equipment for the provision
21 of broadband service in rural areas.

22 “(2) PROJECT ELIGIBILITY.—To be eligible for
23 a grant, loan, or grant and loan combination under
24 paragraph (1), in addition to the requirements of

1 subsection (d), the project that is the subject of the
2 grant, loan, or grant and loan combination shall—

3 “(A) provide broadband service of at
4 least—

5 “(i) a 100-Mbps downstream trans-
6 mission capacity; and

7 “(ii) a 100-Mbps upstream trans-
8 mission capacity; and

9 “(B) subject to paragraph (4), be carried
10 out in a proposed service territory in which at
11 least 75 percent of the households lack access
12 to broadband service of at least—

13 “(i) a 100-Mbps downstream trans-
14 mission capacity; and

15 “(ii) a 20-Mbps upstream trans-
16 mission capacity.

17 “(3) PRIORITY.—In making grants, loans, and
18 grant and loan combinations under paragraph (1),
19 the Secretary—

20 “(A) shall give priority to applications for
21 projects to provide broadband service in a pro-
22 posed service territory in which at least 90 per-
23 cent of households lack access to broadband
24 service of at least—

1 “(i) a 100–Mbps downstream trans-
2 mission capacity; and

3 “(ii) a 20–Mbps upstream trans-
4 mission capacity; and

5 “(B) may give priority to applications for
6 projects to provide broadband service—

7 “(i) in proposed service territories—

8 “(I) with a population of less
9 than 10,000 permanent residents;

10 “(II) that are experiencing out-
11 migration and have adopted a stra-
12 tegic community investment plan
13 under section 379H(d) of the Consoli-
14 dated Farm and Rural Development
15 Act (7 U.S.C. 2008v(d)) that includes
16 considerations for improving and ex-
17 panding broadband service;

18 “(III) with a high percentage of
19 low income families or persons (as de-
20 fined in section 501(b) of the Housing
21 Act of 1949 (42 U.S.C. 1471(b)); or

22 “(IV) that are isolated from
23 other significant population centers;

24 “(ii) that would ensure that all labor-
25 ers and mechanics employed by contractors

1 or subcontractors on the construction work
2 performed on projects financed, in whole or
3 in part, with the grant, loan, or grant and
4 loan combination shall be paid wages at
5 rates not less than those prevailing on
6 similar construction in the immediate local-
7 ity as determined by the Secretary of
8 Labor in accordance with sections 3141
9 through 3144, 3146, and 3147 of title 40,
10 United States Code;

11 “(iii) that would provide rapid and ex-
12 panded deployment of fixed and mobile
13 broadband service on cropland and ranch-
14 land within the service territory for use in
15 various applications of precision agri-
16 culture; or

17 “(iv) submitted by an eligible entity
18 that has provided broadband service or
19 other utility service for not less than 5
20 years in rural areas in the State in which
21 the project would be carried out.

22 “(4) ADDITIONAL REQUIREMENTS FOR GRANT-
23 ONLY AWARDS.—To be eligible for assistance under
24 paragraph (1) in the form of a grant only, in addi-
25 tion to the requirements of subsection (d)—

1 “(A) an entity shall be—

2 “(i) a Tribal organization (as defined
3 in section 4 of the Indian Self-Determina-
4 tion and Education Assistance Act (25
5 U.S.C. 5304));

6 “(ii) a colonia;

7 “(iii) a persistent poverty county, as
8 determined by the Secretary; or

9 “(iv) a socially vulnerable community,
10 as determined by the Secretary; or

11 “(B) the project that is the subject of the
12 grant shall be carried out in a proposed service
13 territory in which at least 90 percent of house-
14 holds lack access to broadband service of at
15 least—

16 “(i) a 100-Mbps downstream trans-
17 mission capacity; and

18 “(ii) a 20-Mbps upstream trans-
19 mission capacity.

20 “(d) ELIGIBILITY.—

21 “(1) ELIGIBLE ENTITIES.—

22 “(A) IN GENERAL.—To be eligible to ob-
23 tain a grant, loan, or grant and loan combina-
24 tion under subsection (c), an entity shall—

1 “(i) submit to the Secretary an appli-
2 cation at such time, in such manner, and
3 containing such information as the Sec-
4 retary may require;

5 “(ii) agree to complete buildout of the
6 broadband infrastructure described in the
7 application by not later than 5 years after
8 the initial date on which assistance under
9 subsection (c) is made available; and

10 “(iii) participate or agree to partici-
11 pate in—

12 “(I) the Affordable Connectivity
13 Program established under section
14 904(b) of division N of the Consoli-
15 dated Appropriations Act, 2021 (47
16 U.S.C. 1752(b));

17 “(II) the Lifeline program under
18 subpart E of part 54 of title 47, Code
19 of Federal Regulations (or any suc-
20 cessor regulation); or

21 “(III) any successor Federal
22 internet affordability assistance pro-
23 gram.

1 “(B) INCLUSIONS.—An entity eligible to
2 obtain a grant, loan, or grant and loan com-
3 bination under subsection (c) may include—

4 “(i) a State or local government, in-
5 cluding any agency, subdivision, instru-
6 mentality, or political subdivision of a
7 State or local government;

8 “(ii) a territory or possession of the
9 United States;

10 “(iii) an Indian Tribe (as defined in
11 section 4 of the Indian Self-Determination
12 and Education Assistance Act (25 U.S.C.
13 5304));

14 “(iv) a cooperative or mutual organi-
15 zation;

16 “(v) an organization of 2 or more in-
17 corporated areas that have established an
18 intermunicipal legal agreement for the pur-
19 pose of delivering communication services
20 to residents;

21 “(vi) a corporation; and

22 “(vii) a limited liability company or
23 limited liability partnership.

24 “(C) INELIGIBLE ENTITIES.—An indi-
25 vidual or legal general partnership that is

1 formed with individuals shall not be eligible to
2 obtain a grant, loan, or grant and loan com-
3 bination under subsection (c).

4 “(D) LIMITATION.—

5 “(i) IN GENERAL.—An eligible entity
6 described in this paragraph that provides
7 telecommunications or broadband service
8 to at least 20 percent of the households in
9 the United States may not receive an
10 amount of funds under this section for a
11 fiscal year in excess of 15 percent of the
12 funds authorized and appropriated under
13 subsection (i) for the fiscal year.

14 “(ii) STATES AND STATE AGENCIES
15 AND INSTRUMENTALITIES.—A State or an
16 agency or instrumentality of a State may
17 not, in total, receive an amount of funds
18 under this section for a fiscal year in ex-
19 cess of 15 percent of the funds authorized
20 and appropriated under subsection (i) for
21 the fiscal year.

22 “(E) PREVIOUS AWARDS.—An entity to
23 which a grant, loan, or grant and loan combina-
24 tion is made under subsection (c) shall not use
25 the grant, loan, or grant and loan combination

1 to deploy broadband service in a service area in
2 which broadband service is deployed by any
3 other entity that has received a broadband
4 grant or loan from the Rural Utilities Service,
5 the National Telecommunications and Informa-
6 tion Administration, the Department of the
7 Treasury, the Federal Communications Com-
8 mission, or a State broadband grant program,
9 unless the service provided by the other entity
10 does not provide to at least 75 percent of the
11 households in the service area access to
12 broadband service of at least—

13 “(i) a 100-Mbps downstream trans-
14 mission capacity; and

15 “(ii) a 20-Mbps upstream trans-
16 mission capacity.

17 “(2) EQUITY REQUIREMENTS.—

18 “(A) IN GENERAL.—The Secretary may re-
19 quire an entity to provide a cost share in an
20 amount not to exceed 25 percent of the amount
21 of the grant (including the grant in a grant and
22 loan combination) under subsection (c) re-
23 quested in the application of the entity.

24 “(B) WAIVER.—The Secretary may waive
25 the cost share requirement under subparagraph

1 (A) for entities or projects described in sub-
2 section (c)(4).

3 “(3) TECHNICAL ASSISTANCE AND TRAINING.—

4 “(A) IN GENERAL.—The Secretary may
5 provide to eligible entities described in para-
6 graph (1) that are applying for assistance
7 under this section for a project described in
8 subsection (c)(3)(A) technical assistance and
9 training—

10 “(i) to prepare reports and surveys
11 necessary to request grants, loans, and
12 grant and loan combinations under this
13 section for broadband deployment;

14 “(ii) to improve management, includ-
15 ing financial management, relating to the
16 proposed broadband deployment;

17 “(iii) to prepare applications for
18 grants, loans, and grant and loan combina-
19 tions under this section; or

20 “(iv) to assist with other areas of
21 need identified by the Secretary.

22 “(B) FUNDING.—Not less than 3 percent
23 and not more than 5 percent of amounts appro-
24 priated under subsection (i) to carry out this
25 section for a fiscal year shall be used for tech-

1 nical assistance and training under this para-
2 graph.

3 “(e) BROADBAND SERVICE.—

4 “(1) IN GENERAL.—Subject to paragraph (2),
5 for purposes of this section, the minimum acceptable
6 level of broadband service for a rural area shall be
7 at least—

8 “(A) a 100–Mbps downstream trans-
9 mission capacity; and

10 “(B) a 100–Mbps upstream transmission
11 capacity.

12 “(2) ADJUSTMENTS.—At least once every 2
13 years, the Secretary shall review, and may adjust
14 through notice published in the Federal Register,
15 the minimum acceptable level of broadband service
16 established under paragraph (1) and broadband
17 buildout requirements under paragraph (3) to en-
18 sure that high quality, cost-effective broadband serv-
19 ice is provided to rural areas over time.

20 “(3) BROADBAND BUILDOUT REQUIREMENTS.—

21 “(A) DEFINITION OF BROADBAND BUILD-
22 OUT REQUIREMENT.—In this paragraph, the
23 term ‘broadband buildout requirement’ means
24 the level of internet service an applicant receiv-
25 ing assistance under this section must agree, at

1 the time the application is finalized, to provide
2 for the duration of any project-related agree-
3 ment between the applicant and the Depart-
4 ment.

5 “(B) ESTABLISHMENT OF BROADBAND
6 BUILDOUT REQUIREMENTS.—The Secretary
7 shall establish broadband buildout requirements
8 that—

9 “(i) utilize the same metrics used to
10 define the minimum acceptable level of
11 broadband service under paragraph (1);
12 and

13 “(ii) reasonably ensure—

14 “(I) the repayment of all loans;
15 and

16 “(II) the financed network is
17 technically capable of providing
18 broadband service for the lifetime of
19 any project-related agreement.

20 “(C) SUBSTITUTE SERVICE STANDARDS
21 FOR UNIQUE SERVICE TERRITORIES.—

22 “(i) IN GENERAL.—If an applicant
23 shows that it would be cost prohibitive to
24 meet the broadband buildout requirements
25 established under this paragraph for the

1 entirety of a proposed service territory due
2 to the unique characteristics of the pro-
3 posed service territory, the Secretary and
4 the applicant may agree to utilize sub-
5 stitute standards for any unserved portion
6 of the project.

7 “(ii) REQUIREMENT.—Any substitute
8 service standards described in clause (i)
9 should continue to consider the best tech-
10 nology available to meet the needs of the
11 residents in the unserved area.”;

12 (2) by redesignating subsections (g), (h), and
13 (i) as subsections (f), (g), and (h), respectively;

14 (3) in subsection (f) (as so redesignated)—

15 (A) in the subsection heading, by striking
16 “LOANS AND LOAN GUARANTEES.—” and in-
17 serting “LOANS.—”; and

18 (B) in paragraph (1)—

19 (i) in the matter preceding subpara-
20 graph (A), by striking “or loan guar-
21 antee”; and

22 (ii) in subparagraph (A)—

23 (I) by striking clause (ii);

24 (II) by striking “Secretary—” in
25 the matter preceding clause (i) and all

1 that follows through “in the case” in
2 the matter preceding subclause (I) of
3 clause (i) and inserting “Secretary in
4 the case”; and

5 (III) by redesignating subclauses
6 (I) and (II) as clauses (i) and (ii), re-
7 spectively, and indenting appro-
8 priately;

9 (4) in subsection (g) (as so redesignated), by
10 striking “or loan guarantee” each place it appears;

11 (5) in subsection (h) (as so redesignated), in
12 paragraph (1), by striking “1974)” and inserting
13 “1974 (2 U.S.C. 661a))”; and

14 (6) by striking subsections (j) and (k) and in-
15 serting the following:

16 “(i) FUNDING.—

17 “(1) AUTHORIZATION OF APPROPRIATIONS.—

18 There is authorized to be appropriated to the Sec-
19 retary to carry out subsections (a) through (h)
20 \$650,000,000 for each of fiscal years 2024 through
21 2028, to remain available until expended.

22 “(2) ADMINISTRATION.—Not more than 5 per-
23 cent of the amounts made available under para-
24 graphs (1) and (3) shall be available to the Sec-

1 retary for the administration of subsections (a)
2 through (h).

3 “(3) DIRECT FUNDING.—

4 “(A) RESCISSION.—There is rescinded the
5 unobligated balance of amounts made available
6 to carry out section 779 of division A of the
7 Consolidated Appropriations Act, 2018 (Public
8 Law 115–141; 132 Stat. 399).

9 “(B) DIRECT FUNDING.—On the day after
10 the execution of the rescission in subparagraph
11 (A), there is appropriated to the Secretary, out
12 of amounts in the Treasury not otherwise ap-
13 propriated, an amount equal to the amount re-
14 scinded in subparagraph (A), to carry out sub-
15 sections (a) through (h), to remain available
16 until expended.

17 “(j) ADDITIONAL RURAL BROADBAND PROGRAM
18 LOANS.—

19 “(1) IN GENERAL.—The Secretary may provide
20 direct loans in accordance with the requirements
21 under this section, as in effect on the day before the
22 date of enactment of the ReConnecting Rural Amer-
23 ica Act of 2023.

24 “(2) AUTHORIZATION OF APPROPRIATIONS.—

25 There is authorized to be appropriated to the Sec-

1 retary to carry out this subsection \$350,000,000 for
2 each of fiscal years 2024 through 2028, to remain
3 available until expended.

4 “(k) TERMINATION OF AUTHORITY.—No grant, loan,
5 or grant and loan combination may be made under this
6 section after September 30, 2028.”.

7 (b) SUNSET.—Beginning on the date that is 120 days
8 after the date of enactment of this Act, section 779 of
9 division A of the Consolidated Appropriations Act, 2018
10 (Public Law 115–141; 132 Stat. 399), shall have no force
11 or effect.

○